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New York

President: Mr. Ali Abdussalam Treki ..... (Libyan Arab Jamahiriya)

In the absence of the President, Mr. Tommo Monthe (Cameroon), Vice-President, took the Chair.

The meeting was called to order at 3.10 p.m.

Agenda item 52 (*continued*)

Follow-up to and implementation of the outcome of the 2002 International Conference on Financing for Development and the 2008 Review Conference

High-level Dialogue on Financing for Development

The Acting President: I give the floor to the representative of Paraguay, who will speak on behalf of the land-locked developing countries.

Mr. Arriola Ramírez (Paraguay) (*spoke in Spanish*): Allow me to express the satisfaction of the group of landlocked developing countries for the holding of the fourth High-level Dialogue on Financing for Development, which is especially important in the light of the upcoming summit on the Millennium Development Goals (MDGs), to be held in September in New York.

We also take this opportunity to associate ourselves with the statement delivered by the representative of Yemen on behalf of the Group of 77 and China.

Financing for development is part of the core challenge of achieving the MDGs. For the most vulnerable economies, such as those of landlocked developing countries, it is essential that the international community meet the commitments undertaken at Monterrey and Doha. That is all the more important given the vulnerability of our countries, which has been starkly revealed by the various crises facing the world.

We therefore reiterate the need for comprehensive reform of the international monetary and financial system to focus on development efforts, with a view to ensuring the more inclusive participation of developing countries and emerging economies, while also producing greater policy coherence at the global level.

The economic and financial crisis has created an opportunity to undertake urgent and necessary corrections to the multilateral financial architecture, which should go beyond the emergencies arising from recent crises. Reforms must be structural and aimed at transforming the relationship between financial institutions and developing countries. In that regard, we believe that, as a universal body, the United Nations should play a central role in ensuring the success of our efforts to achieve better international coordination and coherence in economic and financial areas.

Landlocked developing countries' lack of access to foreign ports creates an inherent disadvantage that results in the lack of competitiveness of our export products. That geographical disadvantage has been compounded by the collapse of international trade as a result of the financial and economic crisis, to which must be added the volatility in prices for food and

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other commodities and tightening credit at the international level.

We encourage the successful conclusion of the World Trade Organization's Doha Development Round and urge developed countries to avoid giving in to the temptation of implementing protectionist trade measures, which could further exacerbate the negative effects of multiple crises.

The external debt of developing countries hinders opportunities for growth and development over the medium and long terms. In these circumstances, we believe there is a need for consensus in the search for a mechanism to alleviate the burden of foreign debt on developing countries. We believe such a step to be an eminently political initiative, but with great economic impact.

Landlocked developing countries believe in the concept that each country is responsible for its own economic and social development. We also understand that the mobilization of domestic resources is an essential tool in combating the hunger, poverty and inequalities that affect us. We are also convinced that international cooperation must be enhanced in all its aspects, including North-South, South-South and triangular cooperation. In that regard, the Almaty Programme of Action provides a concrete framework for cooperation between transit and landlocked developing countries, with the support of development partners.

Lastly, the group of landlocked developing countries will follow with special attention the search for innovative sources of financing as a complement to official development assistance for the achievement of the Millennium Development Goals, which should be our ultimate objective. We believe that this debate will make a decisive contribution to that end.

The Acting President: I give the floor to the representative of Saint Vincent and the Grenadines, who will speak on behalf of the Caribbean Community.

Mr. Gonsalves (Saint Vincent and the Grenadines): I have the honour to speak on behalf of the 14 States members of the Caribbean Community (CARICOM). CARICOM aligns itself with the statement made earlier by the representative of the Republic of Yemen on behalf of the Group of 77 and China.

CARICOM continues to believe that the United Nations, with its universal membership and legitimacy and in accordance with its Charter mandate, must be empowered to play a much greater role in economic and financial matters. We therefore welcome the convening of the fourth High-level Dialogue on Financing for Development. As we reflect on the theme for the Dialogue — "The Monterrey Consensus and Doha Declaration on Financing for Development: status of implementation and tasks ahead" — few can be satisfied with what has been achieved so far, particularly in terms of the fulfilment of commitments to support the development aspirations of developing countries.

Promises by developed countries of increased official development assistance, a more development-oriented trade system, expanded debt relief and greater democracy and transparency in international decision-making and norm-setting largely remain unfulfilled. For example, eight years to the day after the lofty pledges of the Monterrey Consensus, we are left to wonder about the sincerity of commitments to official development assistance, as the majority of developed countries continue to fall woefully short of the benchmark that they voluntarily assumed — to much fanfare — in Mexico. The grand pledges made at Gleneagles and at recent meetings of the Group of 20 (G-20) ring similarly hollow.

On the other side of the ledger of the global partnership for development, developing counties have taken the primary responsibility for their own growth and development. We have strengthened good governance practices, combated corruption and put in place enabling domestic environments to promote private sector-led growth. CARICOM exemplifies those achievements by developing countries. We have gone even further by creating a single market with a supporting institutional framework, and we are making good progress towards establishing a single economy.

Yet, our region continues to experience deteriorating terms of trade, declining levels of official development assistance and foreign investment, an increasing debt burden, and discriminatory and unfair threats to key income-generating sectors such as international business and tourism. Those challenges have all worsened during the financial and economic crisis and are further compounded by the high levels of vulnerability of CARICOM countries, including frequently occurring natural disasters such as

earthquakes, hurricanes and drought, and the increasingly adverse impacts of climate change.

Our efforts to effectively integrate into the global economy are continually inhibited by an international economic environment that is not sufficiently prepared to pay appropriate attention to the special needs and vulnerabilities of the small developing middle-income States of CARICOM. We reiterate the need for further consideration of those issues within the framework of the financing for development process.

In our attempts to enhance the coherence and consistency of the international monetary, financial and trading systems in support of development, we must bear in mind the need for differentiated support and targeted assistance to small highly indebted middle-income developing States and other vulnerable groups of States.

Our region continues to grapple with the effects of the global economic and financial crisis. Our economies largely remain in recession, as revenue from our main income- and foreign exchange-generating sectors, such as tourism, continue to decline. That has resulted in a significant decrease in aggregate demand throughout the region, higher unemployment and a worsening of the fiscal position and debt situation of most CARICOM States. The short- and medium-term economic forecasts remain bleak, as we will continue to feel the lagging effects of the crisis for some time to come.

Many of the ameliorative measures that need to be taken in response to that crisis are neither new nor in dispute. The outcome of last July's Conference on the World Financial and Economic Crisis and Its Impact on Development (resolution 63/303), which was adopted by consensus, reflects international agreement on the steps that we must take. Among those steps are an expansion of access to concessionary financing in response to the crisis, reforms in the governance of international financial institutions, the removal of unnecessary procyclical conditionalities, and the consideration of factors other than per capita gross domestic product, given that it is a poor indicator of economic sustainability. Highly indebted middle-income countries that are also highly vulnerable to external shocks and that face significant sustainable development challenges should be granted access to concessionary loans and financing from the international financial institutions to help mitigate the impact of the economic crisis.

In that regard, we welcome the commitment made by the World Bank at the twenty-first intersessional meeting of the conference of CARICOM heads of Government, held in Roseau, Dominica, last March, to encourage other international financial institutions to make CARICOM countries eligible for access to concessionary loans based on well-known vulnerability and resilience factors, since per capita income by itself is not an adequate indicator of a country's capacity for sustained development. That promise must become a reality if our region is to rebound from the crisis.

The effect of the crisis on our tourism sector has been made far worse by the imposition of an air passenger duty by one of our major tourism centres. Our leaders recently reiterated their collective concern over the deleterious effect of the air passenger duty on tourism, the Community's most important economic sector, and its related service industries. They also pointed out that the band in which CARICOM member States has been placed is unfair and discriminatory and places the region at a competitive disadvantage.

CARICOM remains concerned about the growing tendency of limited membership groups assuming decision-making powers on issues affecting the entire international community, without the consent or involvement of that community. We stand to squander the opportunities for creating a fair and more equitable system of global governance if responsibility for rule- and decision-making remain vested in limited membership groupings that are accountable only unto themselves and do not give due consideration to those who are severely affected by their actions. CARICOM does not sit at the table of the Group of Eight, the G-20 or the Organization for Economic Cooperation and Development; yet, the decisions of those exclusive groupings send shockwaves through our local economies and often have direct negative impacts on the lives and livelihoods of our peoples.

CARICOM reiterates its call for the timely completion of the negotiations of the Doha Development Round to ensure the fullest realization of the development dimensions of the Doha Work Programme. The continued delays in the negotiations jeopardize the delivery of development promises for developing countries. We therefore urge all major negotiating partners to demonstrate flexibility and to

engage constructively to facilitate the early conclusion of the Round in a manner that places development at its core.

Within that context, it is our expectation that the development dimension of the Round will include, among other things, an increase in effective market access in areas of export interest to the region; a genuine recognition of the real asymmetries between developing and developed countries, which are determined by several factors, including the size of our economies, supply capacity, and institutional and regulatory capacities; real sensitivity to the adjustment concerns resulting from trade reforms and liberalization; and full support for and the adoption of the proposals put forward by the group of small and vulnerable economies.

Before I conclude, CARICOM would also like to take this opportunity to highlight the urgent and acute financing for development needs of our sister State of Haiti. The heroic people of Haiti are struggling with the fallout of an earthquake of epic proportions. While the international response has been strong and welcome, much more needs to be done. While Haiti is awash in pledges of support, there is an urgent need for those pledges to materialize as soon as possible. Furthermore, CARICOM calls on international financial institutions and partner countries to offer support in the form of budgetary support to the Government of Haiti. The crisis of the earthquake in Haiti is not something that happens regularly and cannot be addressed with business-as-usual policies.

CARICOM remains convinced that, if the benefits of globalization are to be shared by all, the international community must deliver on the promises made at Monterrey and elsewhere on trade, development assistance, debt relief and the strengthening of the international financial system. The Assembly can be assured of CARICOM's continued support and engagement in this process as we seek to ensure the full implementation of the Monterrey Consensus.

The Acting President: I give the floor to the representative of Australia, who will also speak on behalf of Canada and New Zealand.

Mr. Goledzinowski (Australia): I am privileged to speak today on behalf of Canada, New Zealand and Australia. In the light of the long list of speakers, I shall deliver a slightly abbreviated version of my speech.

We gather together today as the global economy is emerging — too slowly — from the most significant and widespread downturn since the Great Depression, in the 1930s. Global gross domestic product declined by an unprecedented 2.2 per cent in 2009, but in developing countries economic growth fell from 8.1 per cent in 2007 to just 1.2 per cent in 2009. Progress towards the achievement of the Millennium Development Goals (MDGs) has slowed as a direct consequence of the economic crisis, following directly from the food and energy crises. The food price crisis alone was estimated by the World Bank to have pushed 100 million people into deeper poverty.

Despite those setbacks, Canada, New Zealand and Australia remain fully committed to assisting developing countries to achieve the MDGs. Now more than ever, urgent, coordinated and decisive action is required to harness all available global resources to build long-term resilience to shocks and to finance sustainable development. We strongly support the Monterrey Consensus and the Doha Declaration, and we welcome the progress made since those meetings.

But much more needs to be done. The restoration of the health of the global economy, by entrenching the recovery and laying the foundations for strong, sustainable and balanced growth, can contribute to the achievement of the MDGs. The summit of leaders of the Group of 20 in June will provide a useful opportunity to check on the progress made in the implementation of the commitments made at Washington, D.C., London and Pittsburgh. Let me highlight four other key actions that are needed to build long-term resilience to shocks and to finance sustainable development.

The first, and perhaps foremost, of these is to honour our aid commitments. The second is to explore new financing mechanisms and partnerships. The third is to promote broad-based sustainable economic development and to do more on trade and development. And the fourth is to make our aid more effective. Let me go back to the first of those elements.

I said that we will continue to honour our commitments on aid. In fact, Canada, New Zealand and Australia have taken steps to increase the volume of their aid. Australia has increased its official development assistance (ODA) by more than 70 per

cent over the past five years — from $2.2 billion to $3.8 billion this year. The Australian Government has formally and publicly committed to further substantial increases in aid volume through 2015. New Zealand remains on track to increasing its aid programme from $470 million in the 2008-2009 financial year to $600 million by the 2012-2013 period. In the 2008-2009 financial year, Canada met its commitment to doubling aid to Africa from the 2003-2004 levels. It is on track to doubling international assistance overall to $5 billion in 2010-2011 from 2001-2002 levels. I apologize for quoting lots of numbers but, in this debate, we think numbers are important. Together, we three call on others to reaffirm and, more important, to realize their existing aid commitments.

With the second element on our list we encourage the exploration of new financing measures, mechanisms and partnerships, in particular those that harness the private sector. For example, Australia is undertaking a $75-million debt-to-health swap with Indonesia, and has committed $250 million to the International Finance Facility for Immunization. Australia is also represented on the newly established United Nations High-level Advisory Group on Climate Change Financing. Canada has been a leading contributor to new financing mechanisms, including by providing $200 million to the Advance Market Commitment for Pneumococcal Vaccines and $25 million to the World Bank's Caribbean Catastrophe Risk Insurance Facility.

We also believe that supporting broad-based sustainable economic growth, including promoting increased international trade, remains critical for developing countries to achieve faster poverty reduction and economic development. We will continue to support trade liberalization unequivocally and to resist protectionism. We are also committed to helping developing countries to gain access to international economic opportunities. But developing countries face many challenges in realizing the benefits of increased trade. We will continue to provide assistance to developing countries to support broad-based sustainable economic growth and to translate the benefits of trade into progress towards the MDGs.

We have pushed, and will continue to push, for a successful conclusion to the Doha Round in 2010. That would provide a much needed boost to developing economies.

Finally, in line with our undertakings in the Paris Declaration and the Accra Agenda for Action, we are undertaking a range of reforms aimed at increasing the effectiveness of our aid. For example, we will increasingly channel our assistance through partner Governments' public financial management systems in support of agreed national development plans. Another example is our commitment to untying aid in line with Organization for Economic Cooperation and Development policies, the Paris Declaration and the Accra Agenda. Untying is good development policy. Australia and New Zealand both have untied aid, and Canada will untie all of its official development assistance by the 2012-2013 financial year.

Those are four key initiatives — let us call them commitments — that Canada, Australia and New Zealand have undertaken to assist developing countries to build their long-term resilience and regain momentum towards achieving the MDGs.

The Acting President: I give the floor to the representative of Ghana.

Mr. Christian (Ghana): My delegation fully associates itself with the statements delivered by the representatives of Yemen and Equatorial Guinea on behalf of the Group of 77 and China and the African Group, respectively. In view of that, my delegation would like to make a few remarks from the perspective of a commodity-exporting country.

Ghana is well endowed with natural resources and depends on commodities exports for the bulk of its foreign exchange earnings. Our country exports commodities such as cocoa, coffee, gold, diamonds, timber and other non-traditional products. Even so, Ghana remains heavily dependent on international financial and technical assistance.

At Monterrey, we resolved to address the challenges of financing for development around the world, particularly in developing countries, with the aim of eradicating poverty, achieving sustained economic growth and promoting sustainable development. The Monterrey Consensus was built upon the belief that international cooperation for development should be seen as a partnership between developed and developing countries. Developed countries pledged to complement the efforts of developing countries with increased development assistance, a development-oriented trade system, debt relief and increased private financing.

Commodity exporters face daunting challenges that affect their ability to mobilize the resources needed to finance their development. I would like to underline the centrality of commodities to the economic prospects of many developing countries, given the fact that commodities continue to form the backbone of the economies of those countries, especially the poorest among them. They depend on that sector for revenue generation, job creation and foreign exchange earnings. The Commission of Experts of the President of the General Assembly on Reforms of the International Monetary and Financial System underlined the central importance of the commodities sector and called on the international community to explore ways to mitigate risks arising from commodity fluctuations.

The commodity issue is part of a complex set of problems that need to be addressed in a comprehensive manner while taking into account underlying causes. The major systemic issues that need to be addressed in a sustainable way include the supply capacity limitations under which commodity producers operate, the lack of diversification in their production and exports base, the lack of effective participation in the value chain, and the need for an enabling international environment, including an equitable and rules-based international trade system.

Although there has been some rebound, markets remain at a low ebb and are highly volatile. Export earnings and Government revenue may continue to be depressed in many developing countries. Among net exporters of commodities, low-income countries are being hit the hardest because primary exports comprise, on average, 70 per cent of their total exports. In addition, a high share of Government revenue comes from taxes on those exports.

Many developing countries may not achieve the Millennium Development Goals by 2015 if no concrete and immediate measures are adopted to address the challenges associated with the commodities market. The following are some of the issues on which attention should be focused.

First, significant improvements are required in international development assistance — targeting the commodity sector — to reverse declining official development assistance for agricultural development. Secondly, there is a need to improve the effective participation of commodity producers, especially smallholders, in the value chain. Thirdly, there is a need to design viable strategies for diversification and to provide adequate financing to facilitate commodity development and competition.

Ghana is striving to transform its agriculture-based economy into a more service-oriented one. Telecommunication, transportation, tourism and Government services look to benefit from increased development, which will require intensive infrastructure development. But our country's ability to finance those development projects will depend on whether it can maintain robust export growth, which in turn depends on stable and favourable prices for its primary exports and, above all, on whether Ghana is able to introduce more of its products and services to foreign markets.

It is only when this happens that the partnership we talked about at Monterrey will become meaningful to Ghana and other developing countries.

The Acting President: I now give the floor to the representative of Germany.

Mr. Wittig (Germany): Germany endorses and fully aligns itself with the statement of the European Union (EU).

Today's High-level Dialogue is taking place at a critical time. Achieving the Millennium Development Goals (MDGs) in their entirety by 2015 will require a major joint and coordinated effort by all development partners. The high-level plenary meeting on the MDGs to be held in September is thus of paramount importance to Germany. We can achieve the MDGs only in global partnership. This will require mobilizing both international and domestic resources while at the same time improving the effectiveness and efficiency of aid. My country has therefore significantly increased its funding for development cooperation in recent years and will remain a reliable partner as we stay committed to achieving the official development assistance target of 0.7 per cent of gross national income by 2015.

Sustainable development is never simply a question of international financial resources. A coherent set of national and international policies and the effective and efficient delivery of aid are equally important. Germany will therefore continue to support the implementation of the principles of the Paris Declaration and the Accra Agenda for Action.

The principle of global partnership also applies to our efforts to conclude the World Trade Organization's Doha Round with an ambitious, balanced and comprehensive outcome as soon as possible, particularly as concerns improving the integration of developing countries into the world trading system. It also requires continued and swift completion of other ongoing processes, such as the World Bank's voting rights reform. This reform, which will shift at least 3 per cent of voting power from advanced economies to developing and transition countries, will increase the voice of those countries in the Bank.

Climate change remains one of the outstanding cross-cutting issues of financing for development. The carbon market will play a crucial role in this regard. Germany intends to use a share of the proceeds from auctioning emission allowances to companies for financing climate-related mitigation and adaptation activities in developing countries.

In order to make better use of the private sector with regard to development, we need an enabling environment for sustainable private-sector development as well as foreign direct investment in developing countries. In addition, donor countries, together with developing countries, are encouraged to strengthen private sector efforts to promote public-private partnerships and corporate responsibility. The United Nations Global Compact offers a solid and dynamic framework for this field of action.

Mobilizing domestic resources also requires intensifying efforts to promote good governance in developing countries through, for example, administrative reforms, fighting corruption, transparency in the extractive industries, strengthening judicial systems, decentralization and strengthening civil society and national tax systems. Good governance in the tax area would significantly increase domestic financial resources for development. The International Tax Compact, which was launched by the German Federal Ministry for Economic Cooperation and Development, seeks to mobilize domestic resources in developing countries by strengthening national tax systems and fighting tax evasion and inappropriate tax practices, and provides a valuable framework in this regard.

Addressing the problem of indebtedness will remain equally important. As of today, a significant number of developing countries have benefited from broad debt relief through the Heavily Indebted Poor Countries Debt Initiative and the Multilateral Debt Relief Initiative. But further care needs to be taken to avoid a recurrence of unsustainable debt levels in the future. Additional thought must also be given to the question of whether international mechanisms for dealing with debt crises need further refinements.

All these dimensions are equally important for achieving the MDGs in their entirety. Making it happen thus requires a holistic and integrated approach. The high-level plenary meeting in September will be vital for creating a new sense of urgency, agreeing on the right set of policies and reaffirming the political will on the part of all relevant stakeholders needed to accelerate progress in order to jointly achieve the MDGs by 2015. Let us renew our partnership to make this happen.

The Acting President (*spoke in French*): I now give the floor to the representative of France.

Mr. De Rivière (France) (*spoke in French*): I would like at the outset to associate myself with the statement of the European Union.

Since 2002, we have shared a common vision of financing for development based on two main principles, which must continue to guide our actions. The first is the necessity for a global approach within the framework of the need for coherence and coordination in the international economic, financial and trade systems. The second is the partnership that has been established and that unites all the interested parties outside Governments, including non-governmental organizations, the private sector, foundations and many others.

Today, however, the implementation of the Monterrey Consensus and the Doha Declaration is taking place in a context of crisis that has spared no one. Despite the resumption of growth, we have all been affected by this crisis. In addition, for developing States the crisis is likely to have an impact on their progress towards achieving the Millennium Development Goals, especially the fight against poverty and hunger, maternal and child mortality, and access to primary education and water. These tragic effects are being compounded by new needs for financing public goods worldwide, especially climate change adaptation, food security and combating pandemics.

In this context, we must create the basis for a conclusive, lasting and more balanced form of cooperation. I would like to underscore four areas where we need to act. First, we must mobilize the primary source of financing for development — the national resources of countries themselves. This requires in particular the establishment of effective fiscal systems, combating corruption and the creation of an environment conducive to the development of private initiative.

Secondly, we must increase the contribution of private financial capital to development. We must move forward on facilitating and securing remittances from migrants and encouraging their participation in productive investment in countries of destination.

Thirdly, we need to continue to seek additional sources of stable and predictable financing by imposing a globalization tax. Alongside its pilot group partners, France is fully committed to finding innovative financing for development. We have been involved in the working group on international financial transactions for development aid from the beginning, and we now need to go further.

Fourthly, in regard to building cooperative globalization conducive to sustainable development, the decisive action of the Group of 20 has enabled us to avoid a collapse of the system. It has been agreed that the reform of international economic and financial governance should be accelerated, including by ensuring that financial institutions are more representative in nature. Measures have been taken to correct macroeconomic imbalances with the help of the International Monetary Fund. We must continue our efforts for a coordinated and effective approach to the new global challenges and strengthen the complementarity of the efforts undertaken at the international level.

The United Nations, given its universal nature and capacity to address every aspect of globalization, in particular social and environmental issues, is a major player in this regard. The Organization must also continue to pursue all of the reforms it has undertaken for the benefit of its Member States.

The Acting President: I give the floor to the representative of Kazakhstan.

Mrs. Aitimova (Kazakhstan): As speakers before me have emphasized, we are meeting at an important juncture on the road to the Millennium Development Goals (MDGs) summit to be held in September. We strongly believe that this High-Level Dialogue is an important occasion to fully utilize the convening power of the United Nations and the capacities of all its partners to advance the United Nations development agenda.

In the light of the ongoing reforms of the international financial architecture, we recognize the critical role that the Bretton Woods institutions play in helping countries to achieve the Millennium Development Goals. We believe that the United Nations should adopt a more effective intergovernmental mechanism that would warrant a more substantive review process, while maintaining its inclusive and multi-stakeholder approach.

The unique format and comprehensive nature of the Monterrey Consensus has allowed it to be an effective multi-stakeholder mechanism to help in that endeavour. We would like to underline that the Monterrey Consensus is a far-reaching, landmark document. We call on Member States to make all necessary efforts to respect the commitments that we jointly undertook at the Millennium Summit, in Monterrey and at the Doha Review Conference.

From this standpoint, Kazakhstan would like to draw attention to the need to achieve progress in addressing the special needs of the landlocked countries. We call for all interested parties to firmly follow the recommendations of the Almaty Programme of Action and to commence implementing the measures adopted on the occasion of the mid-term review. Cooperation efforts, including official development assistance, technical assistance and commitments in multilateral trade negotiations, must be better tailored to those countries' specific conditions.

We recognize that middle-income countries still face significant challenges in the area of poverty eradication and that their efforts to address those challenges should be strengthened and supported by the United Nations system, the international financial institutions and all other stakeholders in order to ensure that the achievements made to date are sustained. In this respect, technical and consultancy assistance in solving development problems is of great importance.

We believe that, in order to make a difference in promoting the implementation of the Monterey

Consensus and Doha Declaration, we need to work together to identify innovative sources of development financing, focusing more on the private sector and other forms of development assistance.

A well-functioning multilateral trading system can benefit everyone and contribute to enhancing the integration of developing countries into the system. For Kazakhstan, as a participant in the negotiating process for accession to the World Trade Organization, maintaining an open, equitable, rule-based, predictable and non-discriminatory multilateral trading system, as stipulated in the Millennium Declaration, is especially important.

The financing for development process provides the opportunity to foster rapid and substantial progress in achieving the Millennium Development Goals and other internationally agreed development goals, as well as other aspects of national development strategies. A considerable number of developing countries are making tremendous strides towards achieving the internationally agreed development goals, including the MDGs.

Since the adoption of the Millennium Declaration, my country has come a long way on the path to sustainable development. The country has achieved some of the agreed development goals. The task now is to consolidate these achievements and take the solution of existing problems to a qualitatively new level, with more ambitious goals and targets, within the current agenda for MDG-Plus.

The global financial and economic crisis affected our economy's growth rate. It failed, however, to stop our development thanks to the timely and effective measures taken by my Government. The initial priorities in dealing with the turmoil were to stabilize the financial system and restore confidence in economic management.

President Nursultan Nazarbayev, in his annual address to the nation, set out a range of tasks for my Government. In particular, the President called for the implementation of a single budgetary programme on the development of entrepreneurship in our regions, entitled "Business Road Map 2010". This year, Kazakhstan begins implementing the development strategy until 2020. The goal of the strategy is to realize steady economic growth through accelerated industrialization and infrastructure development. The objectives for the next decade include improving economic well-being, reducing poverty and unemployment, and increasing social subsidies by 20 per cent, as well as strengthening security.

In the light of a rapidly changing development environment, and given the limited time frame for attaining the MDG agenda, Kazakhstan is ready to cooperate with all parties to the Monterrey Consensus and Doha Declaration. To overcome obstacles and reach our common goals, the spirit of Monterrey must be kept alive and well.

The Acting President: I give the floor to the representative of Japan.

Mr. Sumi (Japan): The most important event in the field of development this year is the high-level plenary meeting to be held in September, which will focus on the review of the Millennium Development Goals (MDGs). The plenary will provide us with our best chance to galvanize the political will necessary to achieve the MDGs by 2015. The Government of Japan therefore attaches the highest importance to it.

An effective review of the MDGs requires efforts beyond identifying and stressing the gaps that remain in delivering on commitments. We need to identify cross-cutting issues and effective approaches that are indispensable to the achievement of the MDGs.

The global financial and economic crisis has put at risk the very survival of poor people and threatens to wipe out the hard-won progress that has been made towards the achievement of the MDGs. The international community therefore needs to stay focused on the human aspects of this crisis. On the basis of the human security perspective, Japan believes that attention should be directed to protecting and empowering the poor and the vulnerable by helping to sustain people's livelihoods and providing social safety nets.

Even in the midst of this crisis, donor countries should stand firm with regard to the commitments they have made to provide assistance. At the same time, we should focus on output and outcome rather than input. We should discuss how to deliver assistance to the people who need it most.

Prime Minister Yukio Hatoyama has affirmed that Japan will work in partnership with international and non-governmental organizations and strengthen its assistance to developing countries in terms of both quality and quantity. He has also declared that Japan

intends to continue and strengthen the Tokyo International Conference on African Development (TICAD) process, and redouble its efforts towards the achievement of the MDGs and the promotion of human security. Japan will fulfil the commitments announced at TICAD IV without fail, including doubling Japan's official development assistance (ODA) and providing assistance to double Japanese private investment in Africa by 2012.

The Monterrey Consensus reminds us that developed and developing countries, and the private and public sectors, share responsibility for development. The spirit of Monterrey is all the more important now when all stakeholders, including emerging economies, international organizations, foundations, corporations, civil society and academia must join hands to resolve the crises we face. This participatory approach is also an important component of the human security approach, which I mentioned before.

One effective driving force of such an approach is the Global Fund to fight AIDS, Tuberculosis and Malaria. Public and private partnership has been indispensable to our collective effort to fight HIV/AIDS, tuberculosis and malaria. In order to maintain the positive momentum and achieve results, Japan, as one of the Fund's founders, supports its efforts to invite a wider range of public and private donors to make financial contributions at the meeting of the Third Voluntary Replenishment in October.

Japan has also been well aware that a wide range of financial resources must be mobilized in order to meet global development needs, including the MDGs. The serious nature of the financial crisis makes discussions of ideas for additional resource mobilization in the international community all the more relevant. In this context, we are proud to become the next chair of the Leading Group on Innovative Financing for Development. Japan is considering holding the next plenary meeting after November this year, and hopes that it will produce fruitful discussions and contribute to achieving the internationally agreed development goals.

Today, South-South and triangular cooperation are widely seen as indispensable means of international development cooperation. For over 30 years, Japan has recognized the value of South-South cooperation and actively engaged in triangular cooperation. Japan now maintains the Partnership Program for South-South Cooperation with 12 countries in Asia, Latin America, Africa and the Middle East. The rhetorical difference between solidarity and aid-effectiveness should not prevent us from moving forward with concrete actions on South-South and triangular cooperation.

Each country should take primary responsibility for its own development with a strong sense of ownership. The Secretary-General's report on the MDGs, entitled "Keeping the promise: a forward-looking review to promote an agreed action agenda to achieve the Millennium Development Goals by 2015" (A/64/665) aptly points out that raising resources to finance the MDGs should start at home.

Japan also recognizes that a wide range of financial resources, including not only ODA, but also domestic resources and foreign direct investment, needs to be mobilized. Human development remains a key priority as we enhance domestic financial resources for development. The Doha Declaration points out the importance of stepping up efforts to enhance tax revenues through modernized tax systems and broadening the tax base. It also stresses the catalytic role of ODA and other mechanisms, such as guarantees and public-private partnerships, in mobilizing private flows. At TICAD IV, Japan announced support for infrastructure development and investment in Africa.

I would also like to touch upon some other major areas of the Monterrey Consensus. Based on our own development experience, Japan knows that free trade is a strong engine of development, economic growth and poverty reduction. It is for this reason that my Government is fully committed to the fight against protectionism, which was reaffirmed in a series of Group of 20 (G-20) summits. We are also committed to bringing the Doha Round negotiations to an early conclusion. Because we think that trade liberalization and Aid for Trade are inseparably linked, in July last year Japan announced its Development Initiative for Trade 2009 to provide trade-related ODA for the development of ports and roads and for technical assistance, such as training customs officers of developing countries.

Mr. Grauls (Belgium), Vice-President, took the Chair.

International financial institutions have a pivotal role to play in the efforts to overcome the current crisis. Japan welcomed the swift responses of the International Monetary Fund (IMF) and the World Bank, and is pleased that the G-20 has now delivered on its promise to treble the resources available to the renewed and more flexible IMF New Arrangements to Borrow.

We also agree that there is a need to reform governance of the international financial institutions so that they may play the increasingly important roles demanded of them in developing a more robust and stable global financial system. It is critical that the legitimacy and effectiveness of that system be enhanced. Japan will also work with other countries to pursue governance and operational effectiveness reform of the World Bank in conjunction with voting reform, with a view to reaching an agreement by the 2010 spring meeting.

In conclusion, allow me to express the hope that the discussions of this High-level Dialogue will provide valuable input to the upcoming high-level plenary meeting on the MDGs.

The Acting President (*spoke in French*): I give the floor to the chairman of the delegation of China.

Mr. Li Baodong (China) (*spoke in Chinese*): On behalf of the Chinese Government, I wish to commend the convening of this High-level Dialogue on Financing for Development. The Chinese delegation aligns itself with the statement made by the representative of Yemen on behalf of the Group of 77 and China.

The global economy is slowly emerging from a deep decline and clearly heading upwards. Developing countries, hit hardest by the financial crisis, are faced with resource shortages, environmental degradation and other difficulties. This is the tenth year of implementation of the Millennium Development Goals (MDGs), and the 2010 high-level plenary meeting on the MDGs will be held at United Nations Headquarters in September. At this critical moment, revisiting the global partnership for development established at the conferences on financing for development held in Monterrey and Doha is of special significance. We must therefore focus on solving the financing difficulties of the international development process.

As the most representative and authoritative international organization, the United Nations should continue to play a lead role in financing for development and facilitate the establishment of extensive partnerships among Governments and all sectors of society to ensure the coordination and coherence of the relevant international policies.

In this connection, China proposes that efforts be made in the following areas. First, we must galvanize political will, mobilize international resources and push for the implementation of the Monterrey Consensus and the Doha Declaration on Financing for Development. The principles, policies and objectives established by the Monterrey Consensus are of special relevance today, and the Doha Declaration has injected new vigour and vitality into the financing for development process. We are of the view that developed countries must fulfil their commitment to allocating 0.7 per cent of gross national income to official development aid, offer greater debt relief and open their markets to developing countries.

Secondly, they must strengthen coordination of macroeconomic policies, accommodate the interests of various parties and promote balanced growth of the world economy. The financial crisis has revealed the serious problem of development imbalance. Only by redressing the economic backwardness of developing countries can there be truly a balanced and orderly development of the world economy. Governments need to strengthen coordination of their macroeconomic policies through the necessary fiscal, monetary and regulatory means, and promote and sustain the momentum of economic recovery.

Thirdly, we must promote the further opening up of the market and firmly oppose trade protectionism. The international community needs to remain on guard against the rise of trade protectionism. Developed countries need to open markets to and reduce or exempt tariffs on developing countries, especially the least developed. The parties concerned should push for the Doha Round negotiations to achieve, at an early date, the goals of the Round in accordance with the current mandate and on the basis of existing achievements.

Fourthly, we must improve global governance and effectively increase the representation and voice of developing countries. The improvement of global governance should be achieved under the principle of

equal participation, cooperation and tolerance and by giving priority to increasing the representation and voice of developing countries.

With regard to financing for development, it is imperative to improve the distribution mechanisms and rules of international development assistance, and to ensure that international financial institutions significantly increase their input into long-term development and give priority to increasing their financing support to developing countries.

As a developing country, China attaches great importance to development. We have laid out a development strategy that is suited to our national conditions and is compatible with the MDGs and other international development goals. China has achieved, ahead of schedule, the goals of eradicating extreme poverty and hunger. We are providing universal primary education, lowering the rate of child mortality and preventing and treating malaria.

The international financial crisis has posed unprecedented difficulties and challenges for China. China has made timely adjustments to its macroeconomic policy, carried out a proactive fiscal policy, moderately loosened monetary policy and comprehensively implemented and improved its package plan in response to the crisis. We have been able to weather the difficulties by vigorously expanding domestic demand, significantly improving the social security network, creating more jobs and maintaining the stability of our domestic financial market. In the process, China's economy has suffered heavy losses and made tremendous sacrifices. Maintaining the stability and growth of the Chinese economy is not only good for China itself, but also conducive to the stability and recovery of the economies of the region and the world as a whole.

China's assistance to other developing countries will not be compromised by the impact of the financial crisis. China will continue to do what it can to provide assistance to other developing countries within the framework of South-South cooperation. At the United Nations high-level event on the MDGs held in September 2008 and at the fourth ministerial meeting of the Forum on China-Africa Cooperation held in November 2009, China announced a series of measures to help other developing countries. Those measures, which focus on infrastructure development and improving people's lives, are being implemented one by one. China will continue to be actively engaged in the implementation of the Monterrey Consensus and the Doha Declaration on Financing for Development. We will contribute to international cooperation for development.

The Acting President (*spoke in French*): I now give the floor to the representative of the Republic of Cameroon.

Mr. Tommo Monthe (Cameroon) (*spoke in French*): I would like to associate myself with the statement delivered by the representative of Yemen on behalf of the Group of 77 and China. I should also like to thank you, Sir, for giving me the floor on the important issue of financing for development, which is at the heart of this High-level Dialogue.

This debate, it should be emphasized once again, is taking place in a global economic environment in which there have certainly been some improvements, although we are still experiencing the social repercussions of the deepest economic crisis. From the perspective of a global partnership for development, following up the Monterrey Consensus and the Doha Declaration calls for an in-depth review of the implementation of the commitments undertaken in 2002 and reaffirmed in 2008. It also requires strengthening the efforts that have been made to roll back the setbacks that have occurred and to contain and address new challenges, in particular those posed by the economic and financial crisis.

Today, all indicators indicate that developing countries cannot achieve all the Millennium Development Goals (MDGs) by 2015 unless the current negative trends in the global economy are reversed. Less than two years ago, the MDG Steering Group, which was established at the Secretary-General's initiative, recommended the mobilization of $72 billion annually at the international level to ensure that Africa could achieve the MDGs by 2015. That recommendation is still valid. Implementing it will no doubt require strengthening our bold efforts in the area of financing for development.

In that connection, I should first like to refer to the implementation of commitments in the area of assistance, including the 30-year goal set for rich countries to devote 0.7 per cent of their gross national income to development and the decision taken by the Group of Eight at the Gleneagles Summit in 2007 to double assistance to Africa by 2010. Cameroon

therefore calls for heightened international solidarity centred on the goal of increasing international official development assistance and strengthening debt alleviation initiatives.

It would nevertheless be self-deceiving to think that the problem of financing for development can be confined to the amount of assistance provided. The problem also entails the question of the quality of aid — in other words, the effective implementation of the Accra and Paris Principles on Aid Effectiveness. I believe it important to emphasize the need for aid management to be based on results and on the principles of predictability, coherence, non-conditionality and the national priorities of African countries. In addition, we should adopt an innovative sector-based approach to the distribution of resources with a view to finding the right balance between the social and productive sectors. We must not lose sight of the fact that truly combating poverty includes financing the productive sector in order to ensure lasting development.

Efforts to mobilize resources for development cannot overlook the need to put in place a fairer trading system. It is therefore urgent for the Doha Round to break its current impasse so as to build a multilateral trade architecture based on development. Along the same lines, we must speed up the establishment of a new global economic governance system in order to better involve developing countries in decision-making bodies and processes at the international level.

We also cannot consider the issue of financing for development without improving the conditions conducive to encouraging the flow of capital towards Africa, in particular through the astute channelling of capital towards investment in the productive sector.

Cameroon remains aware of the fact that each State is primarily responsible for the well-being of its people. Among other things, that entails the adoption of appropriate policies and programmes. To that end, my country has taken a series of steps that include the development of a strategy paper on growth and employment, with particular emphasis on developing the productive, structural and educational sectors to promote vigorous and sustained growth, without which we cannot lastingly improve the living conditions of our people.

We have also adopted a long-term development perspective through 2035, the goal of which is to make Cameroon an emerging economy. We are also in the process of carrying out a national governance programme that covers the period 2006 to 2011 and focuses on improving State effectiveness, increasing transparency in the management of public resources, resolutely combating corruption, and increasing popular participation in the management of public affairs at the local level by decentralizing governance.

We have also put in place a new national financial regime based on results-based management, developed and implemented stimulus financial reforms, and taken steps to improve the business environment with a view to fostering greater domestic savings and attracting more foreign direct investment.

We have carried out a large-scale study of the factors that hinder our capacity to absorb foreign aid. We have signed a phased agreement in the context of economic partnerships with the European Union, thereby signalling the commitment of Cameroon to continuing to adapt to the international rules of the World Trade Organization. Lastly, we have effectively structured our domestic and foreign debt in line with the terms and conditions agreed in the context of the debt relief mechanisms of bilateral and multilateral donors.

All those measures to improve economic growth and reduce poverty require significant financial resources that are well beyond our own national capacity to provide, especially with respect to the major industrial, energy, port, road and agricultural sectors. Moreover, it should be pointed out that most of those projects entail subregional efforts, as Cameroon is the entry point for several Central African States that lack a maritime border. This means that the international community's financial support for all those projects will have a beneficial multiplier effect on the subregion. It should be emphasized once again that many of the countries of our subregion have undergone long-term conflicts, as reflected in the ongoing insecurity, instability, poverty and, in a word, destitution, that they continue to experience.

I conclude by expressing the hope that this High-level Dialogue on Financing for Development will not be just another forum for expressing good intentions that are repeatedly affirmed but very seldom realized. We hope that the outcome of this meeting will result in the taking of concrete steps that will bolster the practical outcomes of the high-level event on the Millennium Development Goals scheduled for

September, in which many heads of State and Government will participate.

The Acting President (*spoke in French*): I now give the floor to the representative of Switzerland.

Mrs. Grau (Switzerland) (*spoke in French*): Switzerland reaffirms its commitment to the spirit of the Monterrey Consensus. The United Nations has a valuable contribution to make to intergovernmental discussions on international macroeconomic issues, in particular on financing for development. It is crucial that we strengthen the role of the United Nations, while taking into consideration the very useful contributions of specialized agencies such as the Bretton Woods institutions and the Financial Stability Board. With regard to the General Assembly's special responsibility in that regard, we regret that there were difficulties in the preparations for this High-level Dialogue, including last minute-changes in the programme.

Only the United Nations can bring together all stakeholders in an inclusive way. It can play an essential role in monitoring the international financial system, evaluating its functioning and making recommendations at the national and international levels. An ad hoc group of independent experts working pragmatically on systemic risks could provide support for our decision-makers. The added value of the United Nations as a universal platform also justifies more resolute involvement of the Group of 20 (G-20) with the Members of the Organization. Switzerland supports the approach set out in the paper entitled "Strengthening the framework for G-20 engagement of non-members", which was recently submitted to the Secretary-General on behalf of the Global Governance Group.

Switzerland attaches great importance to mutual accountability. On the one hand, donor countries should ensure predictable and transparent financing in accordance with the national development strategies of partner countries. On the other hand, developing countries have a responsibility to establish sound development policies based on good governance and to respond to the needs and aspirations of their own peoples. The principle of mutual accountability should also apply to the relationship between the State and the private sector. Good governance and respect for the rule of law are crucial to foreign direct investment and the emergence of a vibrant private sector.

Integrating principles of corporate social responsibility goes hand in hand with the implementation of stricter norms on accountability and transparency at the national level. Respect for those principles fosters economic development, including through a positive contribution by the private sector. The Global Compact, which Switzerland has supported from the outset, is the most visible example of that. We hope that the Compact will take a more proactive approach to the private sector and submit proposals to promote sustainable development.

The Monterrey Consensus emphasizes the need to mobilize domestic financial resources in pursuit of economic growth, sustainable development and the eradication of poverty. As a strong supporter of the principle of subsidiarity, especially in the area of fiscal decentralization and local economic development, Switzerland extends technical assistance to its partner countries and intends to continue to do so.

The economic and financial crisis has heightened social and environmental challenges and made development issues more complex. Global partnership is at the heart of the Monterrey Consensus and the Doha Declaration. That partnership is more necessary than ever today if we wish to achieve the Millennium Development Goals.

The Acting President (*spoke in French*): I now give the floor to the representative of Algeria.

Mr. Moktefi (Algeria) (*spoke in French*): My delegation associates itself with the statements made by the representative of Yemen on behalf of the Group of 77 and China and by the representative of Equatorial Guinea on behalf of the African Group. I would like to take this opportunity to make some additional comments.

Algeria attaches particular importance to the High-level Dialogue on Financing for Development, given its undeniable contribution to consolidating and implementing the commitments made at the Monterrey and Doha Conferences. This round of the High-level Dialogue is taking place in an international context that is being wholly transformed by the manifold effects of various crises.

The Monterrey Consensus and the outcomes of the Doha Conference provide the ideal framework for taking the steps necessary to ensure financing for development. They also have significant value in

achieving internationally agreed development goals, including the Millennium Development Goals. The Consensus on financing for development is also a pillar of the international partnership for development and remains the basis for encouraging inclusive growth.

We believe that an analysis of the implementation of the commitments undertaken at Doha and Monterrey reveals that we are far from having honoured those made to financing for development. The main progress made in some areas has been achieved thanks in particular to national efforts, while the implementation of many of the international commitments has been marked by lethargy.

The reform of international financial governance is incomplete. There is therefore a need for sustained efforts to restructure it with a view to ensuring stable financing for development.

The current financial crisis has shown that developing countries are the most vulnerable to the effects of monetary and financial crises. The international financial institutions should focus on creating impartial and more effective multilateral monitoring mechanisms in order to ensure the stability of the global economy and promote robust and lasting growth for all Member States. In that regard, it is important to ensure more equitable representation in international financial institutions. Likewise, the measures contemplated in the context of the International Monetary Fund and the World Bank should be viewed as first steps towards deeper reform.

We are convinced that the primary responsibility for mobilizing and channelling national resources for productive investment falls to developing countries. In that regard, Algeria is making ongoing efforts to guarantee resources for development and is well under way to achieving the Millennium Development Goals. Nevertheless, mobilizing national resources for the development of productive capacity is closely linked to the international macroeconomic environment.

Developed countries should honour their commitments in the area of official development assistance, which continues to be crucial to the poorest countries, especially in Africa. The decrease in official development assistance has diminished the chances that beneficiary countries will achieve the Millennium Development Goals within the established time frame.

In spite of the improvement in the foreign debt situation of various developing countries, the economies of a large number of countries continue to bear the additional costs of that debt and their impact on development. External financing and debt relief measures should not be subject to conditions that can affect development capacity.

International trade should play its role as an engine for development by strengthening the links between trade, development and financing. To that end, multilateral trade negotiations should reaffirm the commitments that have been made in order to ensure that the Round is focused on development.

Lastly, we encourage heightened interaction among the United Nations, the international financial institutions, the World Trade Organization and participating countries, so as to contribute to international efforts in the area of financing for development.

The Acting President (*spoke in French*): I now give the floor to the representative of the Republic of Korea.

Mr. Park In-kook (Republic of Korea): This year's High-level Dialogue on Financing for Development has special significance in the sense that it heralds the upcoming summit-level meeting to be held in September on the Millennium Development Goals (MDGs). In that regard, we feel that the discussion during the High-level Dialogue needs to focus more on, and has to be linked to, the implementation of the MDGs while building momentum favourable to the September summit.

We have learned from our own development history that the sustainability of development financing can be strengthened when domestic resource mobilization plays a crucial role. In that connection, we would like again to highlight the importance of the primary role that each Government plays in leading its own development efforts and in mobilizing domestic resources to that end, even during an economic downturn.

However, the efforts of developing countries should be strengthened by unfaltering outside support. While official development assistance (ODA) increased from $53 billion in 2000 to $119 billion dollars in 2008, it is still not enough to bridge the gap in achieving the MDGs. Against that backdrop, Korea

has announced an increase in the volume of its ODA, which is to reach $3.2 billion by 2015. We are already implementing our promise, notwithstanding the global financial crisis. Our dedication to aid effectiveness is equally strong. We would like to announce that the Republic of Korea will host the Fourth High-level Forum on Aid Effectiveness in Seoul in 2011.

We believe that international development cooperation should not be confined to the traditional approach. We should look to the potential of innovative sources of financing, especially during this economic downturn. It is encouraging that innovative sources of financing have become more diversified and successful, such as in the area of voluntary solidarity contributions, as confirmed by the launch of MASSIVEGOOD initiative two weeks ago. We also welcome and look forward to an informal meeting as mandated by resolution 64/193.

Since September 2007, the Republic of Korea has also raised $14 million annually through its air-ticket solidarity levy. Those funds have been used to fight HIV/AIDS, tuberculosis, malaria and other infectious diseases in sub-Saharan Africa, mainly through the International Drug Purchase Facility.

In addition to innovative financing, we are looking for ways to engage more actors in this process, such as the private business sector, civil society and non-governmental and philanthropic organizations. In that regard, we have to fully utilize the 2010 Global Compact Leaders Summit, which will be a crucial opportunity to engage world business leaders, expand the role of the private sector and strengthen public-private partnerships for development cooperation.

As we have proven in our development history, the role of international trade as an engine for growth is significant. While world leaders try to build momentum towards the successful completion of the Doha Round, it is our hope to see the successful conclusion of the Round's negotiations before the end of the year to provide improved market access and fairer rules.

Furthermore, we would like to underscore the need to further boost Aid for Trade and devise adequate national strategies to strengthen the export competitiveness of developing countries. For our part, we are not only implementing duty-free and quota-free access to all least developed countries, BUT we are also assisting by increasing Aid for Trade measures as well as other trade-related technical cooperation.

This year, we will have two summits OF THE Group of 20 (G-20), one in Canada in June and the other in the Republic of Korea in November. The Republic of Korea is a unique country in that it has first-hand experience with overcoming extreme poverty within its living memory and has since transformed into a donor country. We have also experienced the devastating impacts of a financial crisis twice and understand the effort necessary to secure a robust recovery. Based on our experiences and unique status, Korea, as the host country for the November G-20 summit, as well as the co-host of the June G-20 summit, will do its best to draw more attention to actions favourable to developing countries. We will remain vigilant on the importance of anti-protectionism and place development issues on the agenda of the G-20 summit. My Government is also looking forward to closely consulting with non-G-20 members through the United Nations and other regional bodies.

The Acting President (*speaking in French*): I now give the floor to the representative of Indonesia.

Mrs. Wahab (Indonesia): I should like to thank the President of the General Assembly for convening this meeting. In discussing this issue, Indonesia associates itself with the statement made by the Permanent Representative of Yemen on behalf of the G-77 and China.

Our meeting is taking place at a time when the global economy is slowly recovering from the contagions of the recent financial crisis. This crisis interrupted the clear progress being made in implementing the Monterrey Consensus.

To facilitate their economic growth, developing countries had instituted macroeconomic policy changes and necessary reforms that created business-friendly conditions domestically. In Indonesia, our efforts to create an enabling environment included the implementation of the Jakarta Commitment, which endorses the principle of aid development effectiveness as outlined in the Paris Declaration on Aid Effectiveness.

Developing countries benefited as well from significant debt relief and cancellation and from increased official development assistance (ODA) and foreign direct investment flows. In addition, funds

generated by innovative development financing mechanisms and substantial migrant remittances were injected into their economies. Rapid growth in South-South trade aided their progress, although they remained without the gains that the conclusions of the World Trade Organization Doha Development Round would provide.

In 2008, the tide turned. The financial crisis took a serious toll on financial resources being mobilized for development. It placed most developed economies in a tailspin, reducing demand for their exports and the availability of ODA and foreign direct investment, and shifting their focus away from debt relief. Corporate investors shied away from developing countries, to which there was at one point a 50 per cent reduction in net private capital flows.

Because the financial crisis came about as a result of the unregulated activities of major financial markets, strengthening the regulation, supervision and monitoring of the financial sector has become central. We must work to ensure greater transparency and integrity, and to reduce excessive risk-taking in the financial markets.

It is also important to strengthen and update the international financial system and architecture for global economic cooperation. In fact, we need to ensure the existence and operation of effective and accountable institutions, systems and processes at all levels. The new mode of operation should give dynamic emerging markets and developing economies a greater role in the policy and decision-making processes of multilateral financial institutions.

Central to strengthening the international financial system and architecture is the role that must be played by the United Nations. The United Nations Conference on the World Financial and Economic Crisis and Its Impact on Development established an overarching framework positioning the United Nations to play its role. Along this line, Indonesia looks forward to the outcome of the General Assembly's Ad Hoc Open-ended Working Group on the financial crisis, but we are equally concerned about the slow progress of the work being done at the United Nations.

Along with these steps, there will be a need for adequate development finance beyond the crisis. The initiative of the Group of 20 to give the International Monetary Fund the responsibility to disburse $750 billion in regular resources is an important first step. Developed countries must also encourage the flow of foreign direct investment to developing countries in areas such as food security and infrastructure, while expanding their access to renewable energy.

Innovative financing for development should be encouraged, as it complements ODA. These novel mechanisms now incorporate such diverse forms as thematic global trust funds and distribution systems for global environmental services. Indonesia has in fact benefited from such innovative financing mechanisms as Debt2Health, as mentioned by the Permanent Representative of Australia, and debt-for-nature swaps with the United States of America.

For the benefit of all countries, international trade must be made free, fair and rules-based. This must be supported with access to trade financing for developing countries.

Climate change also poses a threat to the entire global development process. Developing countries should be assisted with the costs of mitigation and adaptation strategies to blunt and correct the effects of climate change. We must also use the current crisis to pursue a green economic development model.

In closing, Indonesia must stress the fact that we, the global community of nations, have to continue to cooperate and coordinate our policies and strategies if we are to overcome these various challenges. There is no disputing the claim that global problems require global solutions. We are living out that reality right now, and we must not fail to rise to the challenge. Far too much is at stake.

The Acting President (*speaking in French*): I now give the floor to the representative of the Libyan Arab Jamahiriya.

Mr. Alahraf (Libyan Arab Jamahiriya) (*spoke in Arabic*): I would like to thank the President for convening this meeting, which we trust will give new life and momentum to financing for development. Allow me also to associate myself with the statements made on behalf of the Group of 77 and China by the representative of Yemen and by the representative of Equatorial Guinea on behalf of the Group of African States.

The Monterrey International Conference on Financing for Development was a milestone in international cooperation for development where donor

and receiver countries met as partners. The Doha Declaration also contributed to strengthening this partnership and emphasized that the implementation of the Millennium Development Goals (MDGs) depended primarily on the substance, credibility and vitality of this partnership and on respect for such commitments as eliminating poverty, achieving economic growth and promoting sustainable development.

The mobilization of internal resources would appear difficult in light of the current financial crisis and its severe effects on developing countries, given the drop in commodity prices and remittances, as well as the vulnerability of developing countries due to capital flight and the deposit of such monies in foreign banks. This threatens both democracy and social values in developing countries and makes it difficult for them to invest in development programmes. It is therefore unacceptable to have safe havens that provide protection for smuggled money. In this context, we stress the importance of the initiative launched by the United Nations Office on Drugs and Crime and the World Bank, establishing an international partnership that will help deny safe haven for corruption money.

It is urgent that we mobilize domestic resources in order to finance and encourage productive investment, strengthen macroeconomic policy reform, increase the ability of the public sector to generate revenue, update tax legislation, develop and diversify financial institutions, and activate the role of national development institutions.

In regard to mobilizing international resources for development, we fear that, in spite of the many promises made by donors, the financial crisis will reduce the flow of such resources to developing countries, hindering development in those countries. It is clear that financial flows to developing countries, though they have expanded, go to those that export raw materials or investments in services that fall short of the requirements of the MDGs. An environment favourable to direct foreign investment in developing countries requires institutional and human capacity-building and facilitated access to technology and training so that their basic structures can be adapted to multiple investment activities. Foreign investors' preference for the extractive industries must be in keeping with the priority of achieving the MDGs, while maintaining investment in productive sectors and transfer industries and improving basic services.

The benefits of and opportunities for trade are not available to all. Many developing countries have a low share of international trade due to the dependence of some on a single commodity or on a few that are subject to price fluctuations and to financial crises. These countries may also be unable to compete because of the protectionist policies of rich countries. It is therefore important to enable them to develop their human resources, diversify their productive sectors and build modern systems and infrastructure that would provide them with a competitive edge in the areas of production and export. We hope that the impasse that arose in Doha will be overcome and that a new attitude and resolve will support development goals.

According to the Secretary-General's reports, official development assistance levels remain low and continue to decline, despite some debt forgiveness and humanitarian assistance that have amounted to some 30 per cent of official aid in the past few years. It is incumbent on donor countries to respect their commitments and to reduce their conditions in this regard.

With regard to external debt, in spite of the positive results that have been seen in poor and heavily indebted countries, it is essential that we cooperate further in order to arrive at comprehensive sustainable solutions to the problem of indebtedness, which poses an obstacle to developing and least developed countries. It is important that lenders and indebted countries share responsibilities and address the problem of foreign debt.

The current financial crisis has no specific national characteristics and has demonstrated the need to reform our international financial architecture in order to remedy these imbalances. Developing countries should participate more in decision-making policies and bodies, particularly the Bretton Woods institutions.

Here, I should stress the importance of implementing the political declaration on Africa's development needs (resolution 63/1) and the Secretary-General's guidelines, which stress that Africa needs $72 billion a year to implement its development programmes. In this context, we emphasize the importance of the African Union's development plans and programmes, and call for such efforts to be strengthened, which would undoubtedly contribute to economic integration among African countries.

We are committed to participating in financing productive sectors on the African continent. In that regard, our President, Muammar Al-Qadhafi, has adopted an initiative to ensure food security and to contain the hunger crisis. The initiative is based on self-sufficiency and the use of mechanization and modern technology to reclaim land and to cultivate vast areas for agriculture. It also proposes a mother-and-child health project that will help to eliminate disease, poverty and illiteracy. We stress the importance of supporting this initiative so that its ambitious goals can be achieved quickly.

Libya, in cooperation with Nigeria and Cuba, supports and finances a South-South medical programme that offers medical services to many African citizens. Libya has also taken the initiative of establishing and funding financial institutions in the Sahel countries in order to strengthen productivity and services there and in sub-Saharan Africa. We also encourage Libyan investors to increase their work in those countries.

In conclusion, we hope that this Dialogue will stimulate international momentum and new growth in development for which all countries will shoulder responsibility so that all can enjoy prosperity, peace and stability.

The Acting President (*spoke in French*): I now give the floor to the representative of Viet Nam.

Mr. Bui The Giang (Viet Nam): As we gather here to review the status of the implementation of the Monterrey Consensus and the Doha Declaration on Financing for Development, it is now vital, given the positive yet limited achievements made in this area, to enlist greater international efforts to meet the challenges, particularly those caused by the recent global economic and financial crisis, whose impacts are still strongly felt everywhere, and to ensure the achievement of the internationally agreed development goals, including the Millennium Development Goals (MDGs).

Mobilizing more domestic and international resources to promote the development of the developing world must be at the top of the international community's development agenda. Official development assistance (ODA) and foreign direct investment are pivotal resources for making progress on the MDGs and securing development growth towards 2015 and beyond. Developed countries, therefore, should redouble their efforts to honour their commitment to development by increasing their ODA contribution to 0.7 per cent of their gross national income. Economic environment and capacity-building should also be improved so that developing countries can attract and facilitate foreign direct investment and private capital flows in general. This could, in turn, help developing countries to develop their technology, industry, infrastructure and productive capacity.

In the developing countries themselves, apart from appropriate strategies, national priorities and concrete action plans aimed at maximizing the benefits and minimizing the risks of foreign investment, effective mechanisms for disbursement, monitoring and evaluation should be established and enforced through increased country ownership, operation and close coordination with donors and the private sector. At the same time, the United Nations and the Bretton Woods institutions must set up the necessary mechanisms to closely examine systemic concepts and map out an inclusive and time-bound process with a view to improving global economic, financial and monetary governance structures and increasing accountability, equity and transparency.

Promoting trade as an engine for development requires improving the international environment, particularly in the context of the recent collapse in world trade. Developing countries should be helped to effectively overcome stumbling blocks in the areas of market access, trade financing, pricing and tariffs. There is a pressing need to remove all forms of trade protectionism and anti-competitive practices that work to the disadvantage of developing countries. A fairer and more equitable multilateral trading system must be built. The conclusion of the Doha Development Round, based on flexibility and constructive engagement, is therefore more urgent than ever before.

The global economic and financial crisis has left deep marks on the Vietnamese economy. Last year, foreign direct investment inflows were a meagre $21.5 billion, 70 per cent down year-on-year; exports were only $56.6 billion, 9.7 per cent down year-on-year; and imports were only $68.8 billion, 14.7 per cent down year-on-year. Since Viet Nam's economy is a highly open one, these factors led to an unemployment rate of 2.9 per cent, an increase from 2.38 per cent the year before. The overall situation was worsened by frequent destructive natural disasters and the outbreak of H1N1 and H5N1.

Against such a backdrop, we managed to achieve an economic growth rate of 5.32 per cent, an all-time record high production of 38.9 million tons of rice, and a six-year record low consumer price index of 6.88 per cent. The national poverty rate went down to 12.3 per cent from 13.4 per cent in 2008.

These hard-earned achievements were possible thanks to aggregate efforts. On our part, we have tried our utmost to improve the country's business and investment climate, foster quality exports and expand domestic markets, while sharpening the efficiency of State governance; enhancing investment in human resources, science, technology and infrastructure; and ensuring environmental protection, thus ably maintaining macroeconomic stability and a healthy financial system.

Equally important, we have benefited from both the experience and the expertise of international institutions and other countries in dealing with the crisis, as well as the financial support and assistance of the international community in fulfilling our development goals. In this connection, while appreciative of such assistance, we welcome this High-level Dialogue on Financing for Development and consider this an invaluable opportunity to galvanize efforts to find ways and means to address the common issues faced by developing countries related to financing for development. In this spirit, we pledge to work together with other Member States towards a successful conclusion of this Dialogue, making particular contributions to the preparations for the MDG summit in September.

The Acting President (*spoke in French*): I now give the floor to the representative of Peru.

Mr. Gutiérrez (Peru) (*spoke in Spanish*): My delegation aligns itself with the statements made by the representative of Chile on behalf of the Rio Group and by the representative of Yemen on behalf of the G-77 and China.

On previous occasions here at the United Nations, we have emphasized the need for a comprehensive approach to the issue of financing for development in order to maintain the interrelationship between its various elements. Along these lines, we welcome the approach used at this meeting to organize our work in accordance with the themes of the chapters of the Monterrey Consensus.

The current financial and economic crisis is without doubt affecting the economic and social prospects of developing countries, including those which, like Peru, have in recent years made considerable progress in managing fundamental aspects of macroeconomy. In spite of the international scope of the crisis, Peru's economic activity grew by 1.1 per cent in 2009, and growth of 5 per cent is projected for 2010. These are the results of the fiscal discipline, development and investment promotion policies we have enforced. Similarly, Peru has made major strides in recent years towards achieving the Millennium Development Goals (MDGs), as reflected in the most recent report of the United Nations Development Programme. That document confirms, inter alia, that levels of poverty in Peru decreased from 54 per cent in 1991 to 36 per cent in 2008, while extreme poverty fell from 23 to 12.6 per cent in the same period. Thus, the goal of cutting by half the percentage of people whose income levels are below the poverty line is on its way to being met by Peru.

In the area of education, the goal of universal primary education has almost been met and, in the area of health, the mortality of children under five fell 68 per cent between 2004 and 2008. This means that we have reached that goal eight years before the deadline. These achievements are the result of measures to sustain production and employment, an increase in social spending, and greater investment of the Peruvian State at the national, regional and municipal levels.

Nonetheless, the mobilization of domestic resources in each country also needs a healthy international economic environment that contributes to obtaining positive results from these policies. In that context, I should highlight the importance of international trade as a promoter of development for countries which, like my own, are in the process of extending and diversifying their external markets.

I therefore stress once again the need to avoid all protectionist tendencies and to advance towards the rapid conclusion of the Doha Development Round. Financial and technical cooperation is also necessary at the international level for development to mobilize resources for micro-, small and medium-sized enterprises, which are becoming increasingly integrated into the production and export chains and are thus an effective mechanism to fight poverty. In the same vein, we must strengthen financial cooperation

for research, innovation and technology and strengthen human resource capacities.

The crisis has created difficulties in mobilizing resources for world initiatives to fight climate change. Peru is one of the countries most vulnerable to climate change, while our responsibility for greenhouse gas emissions is less than 0.5 per cent. The resources that my country is compelled to devote to adaptation and mitigation entail a reduction in our ability to respond to other needs of our population, and thus to achieve the Millennium Development Goals, including the fight against poverty.

The worrisome environmental degradation that we are experiencing makes it essential for our adaptation to climate change to become an important element in international decisions on financing for development.

There are many pending challenges. This fourth High-level Dialogue on Financing for Development and the deliberations will take place in this forum will surely be a good opportunity to advance our work with the required sense of urgency. The conclusions we reach here will certainly constitute important contributions towards the dialogue on the Millennium Development Goals to take place at the opening of the next session of the General Assembly here in New York.

The Acting President (*speaking in French*): I now give the floor to the representative of the Islamic Republic of Iran.

Mr. Al Habib (Islamic Republic of Iran): At the outset, we align ourselves with the statement made by the representative of Yemen on behalf of the Group of 77 and China.

The role of national policies, domestic resources and national development strategies cannot be overemphasized. However, the eradication of poverty, securing sustainable food security, achieving sustained economic growth and promoting sustainable development can be realized only in the context of a fully inclusive and equitable global economic system in which national development efforts are supported and complemented by a conducive and enabling international economic environment.

Nevertheless, in our understanding, global partnership goes beyond a mere donor-recipient relationship. Actually, the experience of recent years has clearly revealed the excessive vulnerability of developing countries to external shocks, as well as the fragility of the international economic and financial system. The challenges to developing countries therefore cannot be overcome simply by official development assistance (ODA) or humanitarian assistance. Unless there is a real change at the systemic level towards the creation of an open, transparent, non-discriminatory and rule-based economic order, regardless of what developing countries do at home they will always remain vulnerable to external shocks.

The global commitment to creating a world free from want clearly should extend beyond 2015. Realizing the internationally agreed development goals, particularly those related to poverty and hunger, would mark a great achievement for humankind. Nevertheless, even such a significant accomplishment should leave little room for complacency. Let us remember that, in the best-case scenario, the number of poor living in abject poverty would only be reduced by half. The global commitment should therefore remain firm and our decisiveness unwavering.

We have heard from those who are dealing with people on the ground. Time and again they say that they know exactly what will work and what will not, and what is needed to achieve the goals. Ample evidence of good practices has kept us optimistic about meeting the goals by their deadlines. The Millennium Development Goals (MDGs) are relevant and meeting them remains feasible through adequate commitment and resources and appropriate policies and efforts.

Poverty is truly the main adversary of development and its eradication is the gateway to achieving the other development goals. It is disappointing to note, however, that in the absence of a fair international economic system and a substantive increase in international assistance, it is most likely that, despite all its optimism, the global community will probably miss its target of halving the number of the poor by 2015.

Many developing countries are confronting multiple interrelated global crises, in addition to the consequences of the economic and financial crisis. As a matter of fact, the more those countries become exposed, the more they suffer. While this fact highlights yet again the importance of the meaningful role of the State in supporting development and the importance of an enabling external environment, it also

reveals the bitter truth that an enabling environment is far from being realized.

It should surprise no one that $2 trillion were raised within two weeks on both sides of the Atlantic Ocean to rescue the financial players whose errors brought the world economy to the edge of complete collapse. But less than one year after $20 billion were pledged to fight hunger at the L'Aquila summit, barely a fraction of those funds have been put towards that goal. It is alarming that the number of people suffering from hunger now exceeds 1 billion. The dignity of one-sixth of the world's population hangs in the balance. In fact, the overall amount of ODA allocated to agriculture during the past 20 years has continued to decrease from 18 per cent to 5 per cent, and prolonged underinvestment in the agricultural sector has affected the efforts of many poor developing countries to achieve sustainable food security.

The estimate that the world population will exceed 9 billion in 2050 and that agricultural output will need to increase by 70 per cent between now and then makes it more even important to address these persistent challenges by providing increased access to finances, technology, know-how, access and international support. Otherwise, a world free from hunger will exist only on paper.

On the issue of innovative resources, we recognize their importance and are of the view that they can be used to supplement financing for development needs and to fight poverty and hunger. We also take note of the progress achieved in this regard so far. However, it is our understanding that much more remains to be done in that regard. It should be further highlighted that such resources should remain complementary to and not replace traditional sources of financing for development. Raising such voluntary resources, meanwhile, should not put an additional burden on other developing countries.

The Acting President (*spoke in French*): I give the floor to the representative of Jordan.

Mr. Shawabkah (Jordan): At the outset, I wish to express my gratitude to the Secretary-General and the President of the General Assembly for their resolute commitment to financing for development for the world's poor, an issue to which Jordan attaches special priority. Also, my delegation aligns itself with the statement delivered by the representative of Yemen on behalf of the Group of 77 and China.

The internationally agreed development goals, including the Millennium Development Goals (MDGs), the Monterrey Consensus, the Doha Declaration and the outcomes of the Conference on the World Financial and Economic Crisis and Its Impact on Development have galvanized actions around the great challenge of promoting human development on behalf of the poor, who make up half of the world's people.

Over the next two days and in all future multilateral discussions, Jordan will be committed to exchanging views on the progress made in delivering on our promises. We understand that multilateralism serves as the only way forward in addressing the issue of development and ensuring effective action. The international community must tackle the root causes of the global financial and economic crisis that has severely impacted developing countries. The crisis has thus

> "pushed macrofinancial and macroprudential issues and advance country risks onto centre stage". (*E/2010/11, para. 48*)

Jordan emphasizes the urgency of reforming the international monetary and financial system, as the impact of the crisis has damaged the flow of international trade, foreign direct investment and external debt servicing. Exercising caution, along with implementation of the reform programmes and policies we have adopted in Jordan, has contributed to alleviating the impact of the global financial crisis on the national economy and to promoting financial and monetary stability.

Sustainable development rests upon open market access, supplies and capacity, resource management, the transfer of technology and diversification. The economic reforms that Jordan has implemented are conducive to the promotion and maintenance of sustainable development and reflect the pragmatic approach necessary for the State to become an active partner in our increasingly linked, globalized world economy.

Foreign trade policy and Jordan's integration into the global trade system and the world economy have stimulated growth and increased opportunities. We have enacted legislation to promote foreign investment and foster a favourable and mutually beneficial investment climate for investors from all over the world. In addition to the financing of small projects to combat unemployment and poverty, Jordan is also

committed to implementing new projects designed to comprehensively address education, small-scale farmers, desertification, public health and job creation.

Not only should we allocate international and domestic financial resources to development, but we should also consider innovative sources of financing for development, the transfer of technology and climate change mitigation and adaptation measures. Jordan reiterates the need for donor countries to fulfil their commitment to allocate 0.7 per cent of their gross national income to assistance for the developing world.

Unfortunately, developing countries have been crippled by the unbalanced, inequitable and insecure international monetary and financial environment. They are faced with the burdens of investing significant resources in debt servicing, hindering their ability to meet the MDGs. International trade serves as the essential mechanism for eradicating poverty and offering sustainable growth to poorer countries. Furthermore, massive agricultural subsidies have an immediate impact on developing countries.

The internationally agreed outcomes of all the conferences that have addressed financing for the development of the world's poorer countries — from the 2002 International Conference on Financing for Development held in Monterrey, Mexico, to the 2009 Conference on the World Financial and Economic Crisis and Its Impact on Development at United Nations Headquarters — enshrined the need for a vigorous mechanism to create partnerships between multilateral financial institutions and the United Nations.

As indicated in the Monterrey Consensus, financing for development can be tackled holistically within multiple frameworks and with multiple resources — governmental, public, private, domestic and external.

Jordan commends the decision of the General Assembly to convene a high-level plenary meeting at the commencement of its sixty-fifth session, five years before the deadline for the achievement of the Millennium Development Goals. Occurring at a time of tremendous instability in a global economy weakened by the financial crisis, that critical event will serve as an opportunity to further assess the status of implementation and the tasks ahead, to identify impediments to progress, and to develop new ideas that will ensure progress towards the MDGs. Despite the slow progress towards these goals, Jordan is hopeful that they will remain achievable if the correct policies are implemented with sufficient resources.

Finally, with global poverty so prevalent and global suffering so severe, we have made both moral and strategic commitments to addressing the financing for the development of the world's poor and vulnerable countries. In the spirit of the fourth High-Level Dialogue on Financing for Development, Jordan ambitiously reiterates its determination to work multilaterally to ensure the effective achievement of these goals.

The Acting President (*speaking in French*): I now give the floor to the representative of Brazil.

Mr. Patriota (Brazil): Brazil fully subscribes to the statements made by the representative of Yemen on behalf of the Group of 77 and China and by the representative of Chile on behalf of the Rio Group.

The fourth High-level Dialogue on Financing for Development presents us with an opportunity to evaluate the state of implementation of the Monterrey Consensus and the Doha Declaration. Our assessments will add to the preparations for the high-level plenary meeting of the General Assembly on the Millennium Development Goals (MDGs) next September. They should also take into account the recently concluded dialogue between the Economic and Social Council and the Bretton Woods institutions, held under a revised format. The quality presentations and in-depth discussions that took place during that segment led to very useful debates on the world financial architecture, development cooperation and the challenges we face in meeting many of the goals that we have set for ourselves within the Monterrey and Doha processes.

The Monterrey Consensus and the Doha Declaration on Financing for Development provide a comprehensive framework for tackling many of the important issues facing us today in the context of the international economic and financial crisis and of our common efforts within the United Nations system to promote an effective development cooperation agenda.

We must seize the moment, how that much of the established wisdom on international development has become the subject of extensive reconsideration, and we must strive to establish a new consensus on the road ahead. This will require mainstreaming into the United Nations discussions and framework many of the

new ideas and reassessed views that have been produced as a consequence of the financial turmoil of 2008 and 2009.

We must capture in our deliberations the new emerging common wisdom, which has made structural readjustment policies a thing of the past and has rediscovered the value of policy space, not only for highly developed economies and markets in distress, but also for the smallest and least developed of States and societies.

We must work together in the United Nations towards a common view of development cooperation that does not get bogged down by rigid conceptions, such as the aid effectiveness agenda of the Organization for Economic Cooperation and Development (OECD) and its one-sided view of development. We need a concept that makes room for South-South and triangular cooperation and is guided by the objectives of local empowerment, capacity-building, industrial development and employment generation. We need a development framework benchmarked by measurable outcomes, not by a prescriptive listing of inputs and preconceived one-size-fits-all policies.

In order to prepare for a substantive and productive financing for development follow-up conference in 2013, we should engage in a comprehensive assessment of the international financial and economic system and work towards a reinvigorated consensus-based United Nations framework for cooperation. We should spend some time on the ways and means of mobilizing financial resources for development, including innovative mechanisms.

Monterrey and Doha sought to address the challenges of financing for development with a view to promoting an inclusive and equitable economic system. Both instruments highlight the objective of poverty and hunger eradication in developing countries, considered to be the critical "number one" development goals. Unfortunately, as recognized by the Secretary-General in his report on the MDGs, entitled "Keeping the promise" (A/64/665), the lack of delivery on global partnership commitments by developed countries has hampered progress where it has been needed the most. Other goals in the area of health, education and even gender will not be met if the fundamental objective of poverty and hunger eradication is not addressed with sufficient political and financial commitments on the part of the international community.

This is the essence of the message that President Lula of Brazil has been trying to convey ever since taking office in 2003, when he launched an international call for the United Nations and all other relevant actors to engage in the fight against hunger and poverty. We need to refocus on this critical agenda.

There are technical solutions to overcome implementation gaps towards the achievement of the MDGs, and the United Nations needs to build on the success stories, many of them to be found within the developing countries themselves. We should also learn from policies that have failed in the past, many of which are associated with donor-controlled institutions unfamiliar with circumstances on the ground and often insensitive to the priorities and needs of the developing countries they seek to help.

Official development assistance (ODA) remains an important element of national development strategies, particularly for the least developed countries (LDCs). Despite an overall increase in ODA levels for 2008, OECD estimates indicate that countries associated with the Development Assistance Committee will fall short by $21 billion in respect of their 2010 Gleneagles commitments. As a group, developed countries are still far from achieving the goal of mobilizing 0.7 per cent of their gross national income for ODA.

Trade is a key concern. Brazil is fully committed to an ambitious and balanced outcome of the World Trade Organization (WTO) Doha Round, which places development at its core and provides the means for developing countries, LDCs in particular, to work their way out of poverty and hunger through trade. We have been saying this repeatedly, and we are ready to play our part towards the achievement of this goal. The elimination of agricultural export subsidies and a substantial reduction in the domestic support measures of developed countries, in conjunction with enhanced market access, would be the single most important contribution that developed countries could make to promoting self-sustained, long-term development in the most socially depressed areas of the world.

The continued volatility and unbalanced distribution of private international flows to developing countries also pose important challenges. We must reaffirm our commitment to urgently putting in place

transparent, appropriate and effective regulations to avoid volatility and to promoting predictable flows. We further stress the importance of continuing to lower the cost of remittances. In some developing countries, capital controls may eventually be warranted in order to avoid undue exposure to exchange rate fluctuations and excessive asset valuation.

Member States should remain vigilant in order to avoid a new debt crisis from arising in the developing world. As recent events demonstrate, even developed countries are not immune to debt overhang. It is clear that we need a comprehensive and durable solution to the external debt problem, notably with regard to the establishment of a debt workout mechanism.

It is necessary to explore innovative mechanisms of financing to complement traditional forms of development assistance. As a sponsor of the New York Declaration on Action against Hunger and Poverty, launched in 2004, and a founding member of the pilot group, Brazil believes that such initiatives can contribute in a meaningful and effective manner to achieving the MDGs.

The crisis of 2008 and 2009 has shown that we need to work towards a more balanced and predictable international financial system that does not require developing countries to accumulate high levels of international reserves as the main insurance against systemic shocks at the unregulated core of the global economy, while ensuring that the necessary resources are there for development.

It would be a lost opportunity for development if our efforts towards economic recovery were aimed solely at re-establishing the pre-crisis status quo. Clearly, the international economic, financial and trading systems need to be reformed in favour of a regime that is more supportive of global stability and development and geared towards meeting the development needs of the poor. That requires the greater voice and participation of developing countries in global governance structures, not only at the Bretton Woods institutions, but also here at the United Nations.

Brazil supports a stronger role for the United Nations in monetary, financial and trade discussions, as well as better interaction among its main social and economic bodies, the Bretton Woods institutions and the WTO. At the same time, the Group of 20 has been a novel and effective forum for international cooperation in financial matters — an agent for change through broader macroeconomic coordination, providing benefits to the international community as a whole, not only to its members.

The Assembly can count on the active engagement and constructive participation of the Brazilian delegation in the forthcoming follow-up discussions and round tables on Financing for Development.

The Acting President (*spoke in French*): I now give the floor to the representative of Mexico.

Mrs. Paz Campos (Mexico) (*spoke in Spanish*): I wish to thank the President of the General Assembly and the Secretary-General for having convened this fourth High-level Dialogue on Financing for Development. It is an excellent opportunity to address the current global economic situation and its impact on financing for development and the achievement of the Millennium Development Goals. My delegation would also like to associate itself with the statement made this morning by the representative of Chile on behalf of the Rio Group.

The international economic situation is showing signs of recovery, thanks to a large extent to the significant progress in counter-cyclical measures implemented by several countries of the world and to the gradual re-establishment of regulated conditions in the international financial markets. However, international institutions have tightened the conditions for granting credit, and it is likely that this situation will persist, which is incompatible with a strong economic recovery, while there have been significant threats to and setbacks in the progress achieved in both areas.

With regard to private flows towards developing countries, the freezing of markets as a result of the international financial crisis had a severe impact owing to reduced foreign investment and the drop in credits to those countries. The remittances received by developing countries, such as Mexico, were substantially affected. Bearing in mind that these are private resources, my delegation recognizes their important role as an additional flow of financial resources to the countries of origin of migrants, while it underscores the contribution of migrant workers to the economies of receiving countries.

The Monterrey Consensus contains the minimum commitments and principles for creating the internal and international conditions necessary to the effective mobilization of financial resources to foster economic growth and to achieve the Millennium Development Goals. Those commitments and principles remain valid in the current situation.

In that regard, it is particularly important that traditional donors honour their commitments, voluntarily entered into in recent years, to allocating 0.7 per cent of gross national income to official development assistance. Financing for development can be fostered through voluntary innovative mechanisms that complement stable and predictable resource flows. Those mechanisms should not require the international community to renounce its commitments, including to official development assistance.

In order to address the challenges I have described, development cooperation must be made more effective through better use of human and financial resources and by promoting positive synergies among the various types of technical, scientific, educational, cultural and training cooperation, including traditional, triangular and South-South cooperation schemes. Furthermore, we must make progress on an international dialogue that honestly and openly enables us to coordinate efforts to ensure that all forms of cooperation are mutually reinforcing and benefit those who need it most.

We appeal to the international community to continue to offer cooperation in support of the development efforts of middle-income countries, as agreed in the Consensus of El Salvador on Development Cooperation with Middle-Income Countries. In that context, it is important to promote the timely implementation of the relevant United Nations resolutions.

Trade can and should play a fundamental role in overcoming the crisis and achieving the well-being of nations. Therefore, Mexico emphatically calls for resistance to protectionist pressures and reversion to any form of protectionism, and for promoting trade financing, acknowledging the right of developing countries to make use of the safeguard flexibilities and mechanisms, consistent with the agreements of the World Trade Organization. It is necessary to progress towards the satisfactory conclusion of the Doha Round of trade negotiations. My country therefore calls on all negotiating parties to demonstrate the political will to achieve it.

Mexico is a country that firmly believes in multilateralism and is convinced of the need to join efforts to achieve a just and inclusive international economic and financial system that encourages development. We therefore participate in a broad range of initiatives at the regional level and in different groups of countries.

In the Group of 20 (G-20), we are seeking a common agenda to drive the reform needed in the international financial and economic system. We agree that the United Nations, as the most representative world body, has a central role to play in this dialogue, in cooperation with the Bretton Woods institutions. Mexico appreciates the efforts undertaken to date by the host countries of the G-20 meetings to inform the membership on the progress made at those meetings. Promoting communication and the exchange of information is crucial to ensuring that the interests of all Member States and the impact on their development are duly taken into account.

An issue that has emerged in today's debate on financing for development and the achievement of the MDGs is that of how to finance climate change mitigation and adaptation. Achieving the technological transformation that the world needs to meet the challenge of climate change will require substantial additional financial resources. In this context, the Copenhagen Accord represents a step in the right direction with its provisions for immediate financial commitments and long- and medium-term financing goals, pending the consideration of new ways to target resources. Mexico expects that the immediate goals will be fulfilled, generating the trust needed to move forward in the negotiation process and guide it to a successful outcome at the Cancun Conference.

As members know, Mexico will host the next Conference of the Parties to the United Nations Framework Convention on Climate Change. We in Mexico will make our best effort to build consensus in a climate of transparency and inclusiveness so as to ensure the success of the negotiations. Mexico takes this opportunity to call on all delegations present to support this multilateral process and to work together to make progress towards this common goal.

The Acting President (*spoke in French*): I call on the representative of the Philippines.

Mr. Davide (Philippines): I should like to state that the Philippines highly appreciates and commends the President of the General Assembly for having convened this fourth High-level Dialogue on Financing for Development. This event marks another important milestone in the chronology of the financing for development process and, we hope, will be remembered as the turning point at which financing for development took a decisive step forward in speedily assisting developing countries to recover from the latest global financial and economic crisis.

It is of significance that this Dialogue should come so soon after the special high-level meeting of the Economic and Social Council with the Bretton Woods institutions, the World Trade Organization and the United Nations Conference on Trade and Development. The extremely relevant interactions at that unprecedented two-day meeting are still fresh in our minds.

The Philippines aligns itself with the statement delivered by the representative of Yemen on behalf of the Group of 77 and China.

Our agenda throughout the High-level Dialogue should provide us with the latest information and stimulating discussion on the topics of the three multi-stakeholder round tables and the informal interactive dialogue on the theme "The link between financing for development and achieving the Millennium Development Goals: the road to the 2010 high-level event".

Due to time constraints, I shall now briefly share the observations of the Philippines on the various issues to be discussed. On the topic of round table 1, "The reform of the international monetary and financial system and its implications for development", there can be no disagreement that reform is needed. However, the main issue centres on which actors and institutions should make policy decisions and initiate, carry out and monitor this reform.

We are all well aware that discussions on the global financial and economic crisis over at least the past year and a half have taken place in various forums involving different sets of the same participants — the Group of Eight, the Group of 20, the World Economic Forum, the Bretton Woods institutions and, of course, the system and membership of the United Nations.

There can be no argument with the fact that we are all stakeholders in seeking recovery from the crisis. The Philippines supports an inclusive, transparent and open process that ensures that all views are heard and interests considered as we seek ways forward. In this regard, the United Nations, as the largest, most prestigious and, of course, the most representative and supposedly most democratic law-making body of the world, should not only be given a role, but in fact be at the forefront of this comprehensive reform process of the multilateral financial and monetary system.

We recognize that certain groups of countries have taken the lead in discussing these issues, but they should never forget that they are only parts of a greater body. The Philippines supports calls for them to consider the views of all stakeholders before deciding on policies that have global impact or repercussions, especially on developing countries.

On the topic of round table 2, "The impact of the current financial and economic crisis on foreign direct investment and other private flows, external debt and international trade", again it is clear that all these factors have been negatively affected, except perhaps for migrant remittances as a private flow that has shown both losses and gains depending on national circumstances. The Philippines calls for foreign direct investment targeted on productive and employment-generating endeavours, rather than so-called hot money, which is mostly speculative in nature.

The Philippines joins the calls for the conclusion of the Doha Round to realize the promise of a level playing field and an equitable trade regime. On external debt, it reiterates its position that debt alleviation should benefit all developing countries in need, including middle-income countries, and that debt sustainability criteria take into account the implementation of the Millennium Development Goals (MDGs). Thus, the Philippines continues to advocate a debt-to-MDG swap arrangement.

With regard to round table 3, on the role of financial and technical development cooperation, we hope to hear more about best practices and measures to achieve MDG 8.

Finally, the Philippines wishes to recall and reiterate the importance of enhancing coherence among United Nations economic, social and environmental policies. As we harness the financing for development process to achieve the internationally agreed development goals, including the Millennium Development Goals, we should never forget the crucial link to sustainable development. The quest for human development should not be an either/or proposition whereby economic progress is achieved at the expense of environmental sustainability. The pernicious and pervasive effects of climate change must convince us that to follow a pattern of reckless consumption and production is to lay a path to perdition that could lead to the demise of succeeding generations and Mother Earth herself.

I wish to conclude by assuring the Assembly that the Philippines will do its utmost to ensure that this High-level Dialogue fulfil its promise as a milestone event, and not be merely another millstone weighing down on the promise of Monterrey and the Doha Declaration.

The Acting President (*spoke in French*): I give the floor to the representative of the Russian Federation.

Mr. Churkin (Russian Federation) (*spoke in Russian*): The Russian Federation considers the General Assembly's High-level Dialogue on Financing for Development as the central intergovernmental mechanism for coordination of the follow-up to the international conferences in Monterrey and Doha. We see the Dialogue as one of the most important platforms for political debate on key issues related to the mobilization of financial resources for development and one of the key United Nations events aimed at strengthening cooperation between the United Nations and the international financial and trade institutions, in accordance with their respective mandates. In the run-up to the summit on the Millennium Development Goals (MDGs), we believe that the main objective of the Dialogue is to provide the necessary impetus and an appropriate political framework for the forthcoming consideration of the financing for development agenda in the context of the MDG review process.

This Dialogue, in our view, is also a good opportunity to share experience on implementing macroeconomic, monetary and financial policies in the wake of the crisis. Open and constructive discussion on these issues within the General Assembly is particularly relevant, given the ongoing deliberations at the United Nations and other international forums in response to the global financial and economic crisis and its impact on development.

It will not be possible to overcome the negative impacts of the crisis or ensure sustainable economic growth without broad international cooperation at all levels. The coordination of national macroeconomic programmes and a competent and unbiased monitoring of the national financial systems of individual countries and of the world economy as a whole are of particular importance.

An important prerequisite for a successful recovery from the crisis will be the consensus drafting of transparent, effective and compulsory rules for the regulation and implementation of financial policies. Any model for post-crisis growth must ensure a just, sustainable and balanced development of the world economy. There is a need for coordination of not only financial but also social policies, in particular with respect to providing social security and ensuring access to and quality of education, health and labour mobility.

In pursuing these objectives, we must make full use of the potential of the United Nations, which has all the necessary mechanisms for productive work on all major issues related to the crisis, with the participation of all relevant bodies. These mechanisms should be utilized primarily to develop a common strategy and political guidelines rather than highly specialized discussions, which should take place within the appropriate expert bodies.

There is a growing need for regional forums as we devise and implement joint measures to respond to the adverse effects of the global financial and economic crisis. Further regional integration will provide a safety net for all of us against further possible waves of the crisis.

Russia attaches the utmost importance to strengthening bilateral and multilateral cooperation in the Commonwealth of Independent States (CIS), including within the framework of the Eurasian Economic Community (EURASEC). Our country initiated the creation of the EURASEC Anti-Crisis Fund, a new mechanism for cooperation and the provision of assistance to the countries in need that disposes of $10 billion, $7.5 billion of which were contributed by the Russian Federation. Some of the

Fund's resources will be used to support low-income countries in line with official development assistance criteria.

Active work is under way on designing the Russian national development assistance programme on the basis of the concepts endorsed by the President of the Russian Federation. The implementation of the programme, which is targeted primarily at the CIS countries, will allow for a significant strengthening of economic and commercial ties in the region and eventually ensure the necessary progress in achieving the Millennium Development Goals.

The establishment of a national development assistance system in Russia will enhance our capacities as donors and create the necessary basis for a more fruitful participation by our country in international financing for development cooperation. To that end, despite the very real difficulties associated with the global economic crisis, we are already consistently increasing the resources we allocate to support countries in need. According to preliminary estimates, in 2009 Russian bilateral and multilateral official development assistance amounted to approximately $800 million, which is 3.5 times more than in 2008.

The successful implementation of the international financing for development agenda requires innovative approaches to enhancing partnerships with a view to mobilizing additional resources. Major emerging economies play an increasing role in the modern development assistance system, which is being sorely tested by the world financial and economic crisis. Unlike some traditional donors, these countries have not only maintained the level of their assistance to countries in need, but even continued to enhance their contribution to international development efforts despite the crisis.

Finding effective mechanisms and modalities for cooperation with new actors within the framework of the post-Monterrey agenda, and ensuring the active participation of new donors in the decision-making process and in the elaboration of new approaches to assisting developing countries, has become a priority task and one of the most important prerequisites for a more efficient international development assistance architecture.

In February 2010, Moscow hosted the second International Conference on New Partnerships in Global Development Finance. The Conference's findings and conclusions may be used in the consideration of these issues in the Economic and Social Council and the General Assembly. For our part, we are ready to continue to promote constructive dialogue with all parties concerned with a view to reaching consensus on the issue of aid effectiveness.

The Acting President (*spoke in French*): I give the floor to the representative of Turkey.

Mr. Apakan (Turkey): Turkey aligns itself with the statement made by the representative of Spain on behalf of the European Union. I now would like to make some brief remarks in my national capacity.

The High-Level Dialogue on Financing for Development has been convened at a critical juncture today, as 2010 marks an important year in the development agenda of the United Nations. We stand only five years away from our target date for the achievement of the Millennium Development Goals (MDGs), while the repercussions of multiple crises are still heavily felt in the developing world, particularly in the least developed countries. Although substantial progress has been made towards the achievement of the MDGs over the past 10 years, it is evident that progress has been uneven among the goals and within the countries themselves.

The high-level meeting of the General Assembly in September this year will provide us with the opportunity to comprehensively review the MDG process and would be an opportune moment to accelerate and enhance the efforts and concrete action required for the achievement of MDGs by 2015.

The Monterrey Consensus has brought about a new compact between the developing and developed countries by emphasizing joint responsibilities and global partnership in international development efforts. This spirit of global partnership involving developing countries, donor countries and other developing partners must be preserved and transformed into concerted action in order to accelerate progress towards the MDGs.

In moving the developing countries, in particular the least developed countries, onto a path towards sustainable development and growth with the primary objective of poverty eradication, we need to focus primarily on the development of their productive capacities, the diversification of their export base and

market opportunities, and the enhancement of their capacities in the service trade.

In view of the importance of trade as an engine of growth, the revival and subsequent successful completion of the Doha Round negotiations will promote the integration of developing countries into the world economy. Initiatives such as the Enhanced Integrated Framework for Least Developed Countries and Aid for Trade could contribute to the reduction of constraints that impede supply capacities, including weak trade-related infrastructure.

In addition to enhancing the trade capacities of developing countries, scaling up and improving the quality of development aid, in particular official development assistance, is also of paramount importance. Turkey supports the Paris Declaration on Aid Effectiveness and has endorsed policies for the realization of the commitments made in the Accra Agenda for Action.

Predictable and better targeted aid that responds to the needs of developing countries and their specific challenges is necessary. Mobilizing aid to build the necessary human and institutional capacities and to increase productive capacities would be instrumental in overcoming the structural weaknesses faced by developing countries.

We believe that development assistance should be geared towards employment-generating activities to enhance the sustainability of livelihoods. The mobilization of funds to finance the activities of small and medium-sized enterprises deserves particular attention in that regard. In the light of the importance of remittances for developing countries, further international support measures are necessary to channel such funds towards productive investment schemes.

The role of foreign direct investments in funding infrastructure projects, which are necessary to long-term growth and development efforts, cannot be emphasized enough. Therefore, we need to work on ways and means to enhance the ability of developing countries to attract multinational investments to further boost the development process at the national level.

National ownership of development programmes is the crucial element for success in that regard. In fact, from our own experience as an emerging donor country, we can say that the demand-driven approach has been particularly successful in our development assistance efforts. The contributions of civil society organizations and the private sector are also a complementary necessity to all national, regional and international efforts.

In the framework of global partnership, we believe that South-South cooperation is an important strategy in dealing with transnational development challenges. That type of cooperation strengthens vulnerable economies not only by mobilizing financial assistance, but also by increasing their capacities on the ground through extensive economic and technical cooperation on a demand-driven basis and by sharing experiences. Triangular cooperation complements that dynamic process.

Our experience to date shows that the MDGs are, in fact, achievable with the right policies and effective implementation. I am confident that our deliberations during this High-Level Dialogue will facilitate the preparations in the coming months for the high-level meeting on the MDGs and enhance our efforts towards the timely achievement of those goals.

The Acting President (*spoke in French*): I give the floor to the representative of Guatemala.

Mr. Rosenthal (Guatemala) (*spoke in Spanish*): We align ourselves with the statements made by the representatives of Yemen and Chile, but we would like to add some thoughts from the national perspective in order to touch on one issue that has barely been mentioned in those statements. These thoughts — or perhaps it would be more appropriate to call them concerns — relate to the scope and content of the exercise in which we are involved.

We express these concerns because we believe that we are underutilizing the opportunities provided to us by two of the follow-up mechanisms that the Monterrey Consensus sets out in paragraph 69 (A/CONF.198/11, annex). I am referring to the roles that it assigns to the General Assembly and to the Economic and Social Council to "staying engaged". In compliance with that provision, last week some of us met in the framework of the special high-level meeting of the Economic and Social Council with the Bretton Woods institutions, the World Trade Organization (WTO) and the United Nations Conference on Trade and Development (UNCTAD), and today we are meeting in the framework of this fourth High-Level Dialogue.

To speak frankly, our concern is that, in our view, neither of those meetings has fully fulfilled its promise. To substantiate our concern, I would recall that the Monterrey Conference, whose main outcome is contained in the Monterrey Consensus and reiterated by the Doha Declaration on Financing for Development, constituted one of the greatest achievements of the United Nations in the sphere of development.

To cite only a few examples, the Consensus represented conceptual progress by giving greater substance and clarity to the partnership between developed and developing countries. The Conference had a tangible impact by marking a turning point in the volume and form of international development cooperation. The United Nations gained a place — modest, but a place nevertheless — in the world of finance by linking financial flows to development. In that regard, the foundations were also laid for fruitful coordination and cooperation between the United Nations and the multilateral financial institutions, each within its area of responsibility. In addition, bridges were built to bring the positions of foreign ministries closer to those of the ministries of finance and trade within each of our Member States.

Furthermore, at the Monterrey and Doha Conferences, the United Nations managed to demonstrate its comparative advantages: its capacity to convene, the legitimacy provided by its universal and inclusive nature, and its commitment to development as one of the great pillars of the Charter, among other elements. The Organization was also able to have an impact on public awareness. Thus, the Bretton Woods institutions themselves incorporated the Millennium Development Goals into their daily lexicon.

Despite all of that — and this is our main point — we believe that we are neither sufficiently capitalizing on the significant achievements of Monterrey and of Doha, nor taking full advantage of their follow-up mechanisms. Although last week's meeting between the members of the Economic and Social Council and the intergovernmental representatives of the World Bank, the International Monetary Fund, the WTO and UNCTAD afforded an interesting and useful debate, we believe that it could have made even better use of the opportunity to clarify the role of each of our organizations by giving greater impetus to the guidelines that emerged from Monterrey and Doha.

This issue is not new. Despite the many efforts undertaken in the Economic and Social Council and in the General Assembly to enhance such meetings, we have the feeling that the level of representation and the quality of the debate have been gradually deteriorating to date since 2002, and that the new circumstances that have arisen since the financial and economic crisis of 2008 have only aggravated the situation by obscuring the international economic outlook and the role of the United Nations with regard to financing.

Thus, we tried to overcome that crisis by holding the Conference on the World Financial and Economic Crisis and Its Impact on Development last June — on balance, with positive results. However, it could be maintained that, with that Conference, we gave new or at least additional direction to the financing for development process.

The five-minute limit on our statements does not allow me to go into greater detail on the causes of what we perceive to be an erosion of our role, nor, I must confess, do we have fully fledged proposals to make on the matter, although we have some specific ideas. However, we believe it imperative that we examine the matter introspectively and ask ourselves if we are satisfied with these two periodic exercises — one annual, the other biennial. Should that not be the case, we must also ask ourselves what we must do to ensure that our meetings are meaningful and useful events. Otherwise, we run the risk of their becoming mere rituals, ceding the space that the United Nations could and should occupy to other formal and informal venues.

The meeting rose at 6.10 p.m.